DDR-716-62

3 November 1962

MEMORANDUM FOR: The Comptroller

SUBJECT: CIA Personnel Ceilings

REFERENCES: a. Comptroller's Draft dated 30 October

                b. Memorandum for Members of FPBC, dated 2 November

1. As requested in the above references, the DD/R member of the Financial Policy and Budget Committee forwards the following comments.

2. As will become apparent from the items below, the primary purpose of these comments is to put the requirements of the DD/R in context with those of the whole Agency. As a matter of fundamental policy the two following points are emphasized:

     a. The personnel slots required by the DD/R are not of themselves an over-ceiling item. They are competitive with other Agency components for the personnel ceilings available to the Agency.

     b. The DD/R requires a decision on his total personnel slot and fund structure in order to begin operation in ORD and to determine the extent of operations in OEL and OSA.

3. Specific comments on Reference A are as follows:

     a. Paragraph I A: It is my understanding that the FY 63 budget included appropriate caveats concerning the forthcoming requirements of the DD/R. The point I wish to make here is that the DD/R requirements were known during the final action on the FY 62 budget and therefore this is nothing new in concept.

b. Paragraph I B: It is desired that the first sentence of this paragraph contain the idea that the planning for FY 64 also included the formation and the requirements of the DD/R even though it was decided they would not be numerically included in the budget.

c. Paragraph II A 1: It is requested that this paragraph contain the thought that these reductions and economies are in the existing Deputy Directorates, as this does not apply to the newly formed Directorate of the DD/R.

d. Paragraph II A 2: It is requested that this paragraph be rewritten to include the fact that while there are FY 63 pressures for additional personnel slots for the present Directorates, there is an urgent requirement for the assignment of personnel slots to the new DD/R so that it may become satisfactorily operational.

e. Paragraph III A 1: This statement is not quite correct because severe damage is done to the DD/R. It is requested that this sentence be changed to reflect that this is true provided the DD/R's requirement is contained within that ceiling.

25X1A

f. Paragraph III A 2: This paragraph does not show the requirement for ███ slots in ORD. It is requested that this be changed to show the total requirement of the DD/R, i.e.,

25X1A

██
You may use the suggestion that all of these slots are not required in FY 63 provided a decision on the total authorization of the DD/R is forthcoming.

g. Paragraph III B 1: Two items appear in this paragraph:

(1) The second sentence implies that certain courses of action could lead to further reductions. I would suggest that if this is the case you might give some examples, because it would seem this sentence begs to be answered.

(2) While you may consider this to be a nit-pick, the second sentence implies that these requirements are for additional personnel in the DD/R. While in one sense they are additional to what we already have, we consider it to

be the initial allotment in order for the office to go into business and, therefore, not additional to an existing capability.

h. Paragraph III B 3: It is requested that the idea be inserted that while the requirements of the DD/R were not included in the FY 64 budget a caveat was inserted that the DD/R did have these requirements.

i. Paragraph III B 4: It is requested that this paragraph be changed to show that the FY 64 budget did not include all the requirements of the DD/R. The Agency FY 64 Budget Activity Statement contains the following figures:

25X1A

25X1A

4. The following comments deal with Annexes A and B of Reference A:

a. Annex B, page 2, paragraph 2a: The second sentence implies an expanded program in the DD/R. As you know, we do not consider this an expanded program but rather the launching of a new program which did not exist before.

b. Annex B, page 7, paragraph 2a: The last sentence of this page implies that centralization of R&D has been effected by the formation of the DD/R. This is not felt to be the case. It is requested that this be modified to state that the creation of the DD/R provided for centralization of Elint only, and transferred overhead reconnaissance and non-agent support R&D from the DD/P to the DD/R, which has resulted in apparently increasing requirements. As you know, some of the apparent increase results in the reluctance of other Directorates to release manpower slots which they had previously identified with the transferred programs, primarily in the area of Elint activities.

5.   The following comments deal with the conclusions and recommendations in your memorandum of 2 November, Reference B:

a.   Your cover memorandum to the members indicated that the consensus is that the DD/R is an over-ceiling item. I am sure you are correct in that this is the consensus. However, as a member of the committee I feel I must officially non-concur because I consider the requirements of the DD/R to be on a par with all other Agency requirements and therefore not necessarily an over-ceiling item, i.e., the Agency is perhaps over-ceiling in quirements but not necessarily the DD/R.

b.   Paragraph IV A: It is requested that Item 2, first sentence of this paragraph, be changed to reflect a decision on the total DD/R requirement, which may include the phasing of actual positions in FY 63 and FY 64.

c.   Paragraph V 2: This should be completely rewritten to remove the review of the Financial Policy & Budget Committee, which has already been accomplished, and replace it by a statement to the effect that the decision on the total authorization of the DD/R should be forthcoming from the DDCI.

EDWARD B. GILLER
Assistant Deputy Director
(Research)

O/DDR/EBGiller:mh
Distribution:
O&1 - addressee
    1 - EA/DDR
    1 - Comptroller/DDR
    1 - DDR Subj
    1 - DDR Chrono